



HOW TO SET-UP, LAUNCH, AND RUN A PAID ADVERTISING CAMPAIGN

on Instagram, Snapchat, Twitter,
LinkedIn and Facebook



Imagine this – your boss comes into your office, sits down across from you, then thanks you for the results you've generated with your digital marketing campaign.

“We've been using social media for years but haven't seen a tangible increase in our conversion rate ... until you came along,” he or she might say. “How did you do it? It was like magic!”

Well, the truth is, it's not magic (although the results can be magical). It's not that hard to increase your conversion rate – if you use paid social media strategically to enhance your organic social media efforts and extend your reach.

Paid Social Media? Isn't The Great Thing About Social Media That It's Free?

It's true that organic social media campaigns can drive traffic to your website at little or no cost. That's the way people have been doing it for nearly ten years.

The problem is, it's not 2007 anymore.

In the last decade, social channels have proliferated, and consumer traffic on them has grown astronomically. (That's opportunity!) But so has brand traffic. (That's competition, and noise.) Everyone from Crocs to Intel has a multifaceted, multichannel social presence. And that's created a chaotic environment; there are no swim lanes on the internet.

This also created a commercial opportunity for the social networks, of course, so they began developing new rules to do two things: provide a better user experience, and capitalize their valuable ad space.

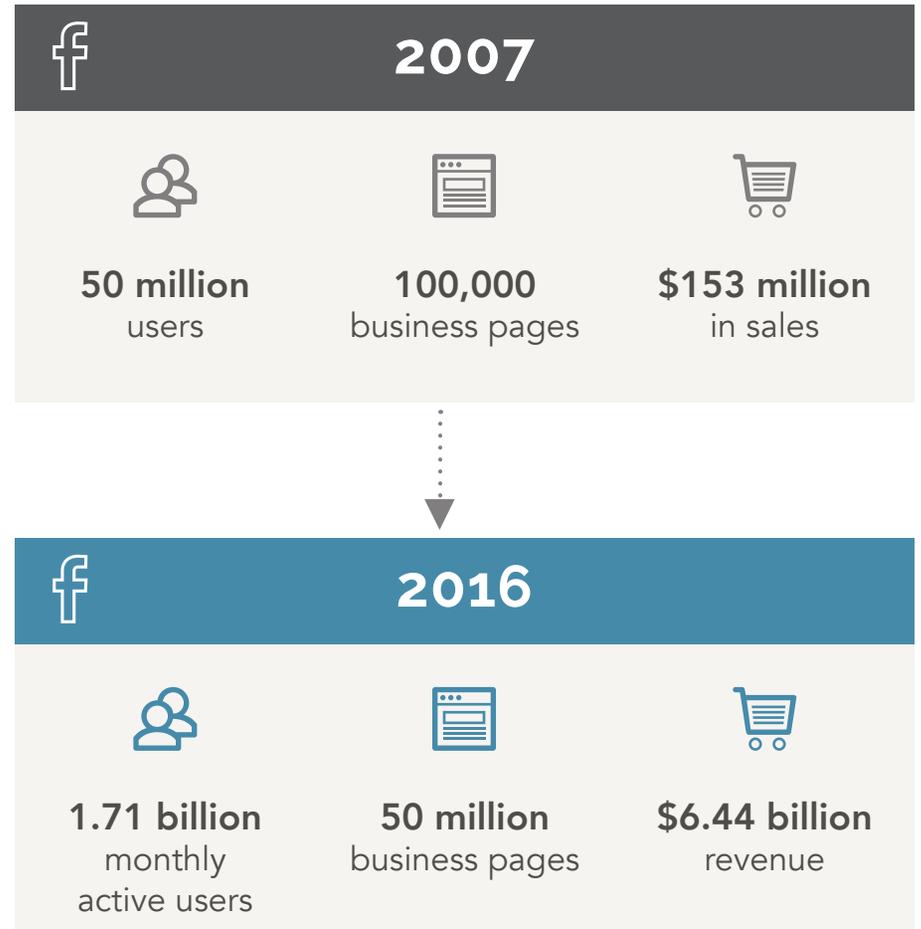


Facebook as an Example

In the old days, you could post something on your Facebook Page and reach virtually all of your followers who were on Facebook at that time. **Today, if you did the same thing, you'd likely reach only 2% to 6% of your followers. What changed?**

In 2007, Facebook had over 50 million users, 100,000 business pages, and \$153 million in sales. In July 2016, Facebook reported 1.71 billion monthly active users, 50 million small business pages, and \$6.44 billion in revenue, mostly from advertising. In order to generate advertising revenue from this massive traffic, Facebook has changed its algorithm multiple times, increasingly restricting organic reach. That means you now have to pay to play. That's good news for Facebook's investors but a challenge for people who traditionally relied on organic traffic from Facebook.

Facebook is just one example. Every social media network (indeed, any online channel) that hopes to see tomorrow must find a way to generate predictable revenue. **Most social networks are turning to the old broadcast model of selling access to their audiences, usually in the form of advertising.**



The Paid Social Media Alternative

With organic reach harder to get, more businesses are turning to paid social media to supplement their efforts. According to the **2017 B2B Content Marketing Trends Report**, 50% of surveyed companies rated the success of their paid social media campaigns as a 4 or 5 on a 5-point scale. That means paid social media is working, but it also means that it's not working perfectly for the 50% who rated it a 1, 2, or 3 on the 5-point scale.

Are you among them? Let's help you solve that problem with tips and techniques on how to get the most from a paid social media campaign.

Before We Begin, Let's Review the Key Vocabulary You'll Need to Navigate This World

Ad Impressions:

The number of times an ad has been served, regardless of whether the user has actually seen or interacted with the ad in any way. (Don't get too swept up by your number of ad impressions – your clickthrough rate, your conversion rate, and your cost per click are much more important metrics.)

Call to action (CTA):

A phrase included within an ad, or a graphic element such as a button, which invites the audience to take a certain action.

Click-through rate (CTR):

How often people who are served an ad end up clicking on it. For example, if an ad received 5 clicks and was shown 1000 times, the CTR is 0.5%. The higher the CTR on an ad, the better it's performing.

Conversion:

Each time a visitor takes a specific action that you've defined, it's counted as a conversion. Conversions include actions such as signing up for a newsletter or making a purchase on a website.

Cost per click (CPC):

How much an advertiser pays, on average, for each ad click. CPC is calculated by dividing the total amount spent on a campaign by the number of clicks generated.

Cost per thousand (CPM):

Metric that shows how much it costs to serve 1,000 ad impressions. Also used as a standard measure for buying display ads, as inventory is generally sold on a CPM basis.

Native advertising:

A paid ad with content and formatting that closely mimics the user experience of the organic content in a given channel.

Act-On has an in-depth glossary, "[63 Digital Advertising Terms Every Marketer Should Know](#)" if you'd like to go deeper into the lexicon.

Okay, now that we're familiar with many of the top terms you'll need to know before launching your campaign, let's look at the individual platforms and how you can use paid advertising to turn your prospect's views into dollars.

Facebook



Turning People Who “Like” Your Brand Into Paying Customers

With so many people on Facebook – more than a billion people around the world in any given day – it’s a natural place to start your foray into paid social media advertising. If you’ve been used to buying television or print, Facebook’s brilliant targeting options will delight you.

With Facebook, you can create an ad in a few short minutes, and then target the ad to people based on age, gender, location or even an interest like biking, cooking, or gadgets. You can target people by which device they use; you can even target people by what they do outside of Facebook – for example, if they want to buy a house or travel abroad.

You can target ads to a narrow, focused group of people – for example, people in your geographic area who match certain demographics (e.g., male, female, young, old) with certain interests. Or you can target a broader audience in a larger geographic area with a wider range of interests.

You can even create custom audiences. For example, if you have the emails or phone numbers of your customers, Facebook can help you reach those people while they’re using the platform. (Alternatively, you can exclude them from seeing ads you’re running in the event you’re looking for new customers who haven’t engaged with your brand previously.)

Facebook at a Glance

Total Monthly Active Users:
1.71 billion

Targeting Capabilities:
Good to excellent

Perfect for:
Businesses that want to target people from a wide variety of backgrounds

Strengths:
Reach and depth of targeting

Weaknesses:
Because of the more casual nature of platform, Facebook advertising is not always ideal for highly regulated industries or B2B industries (such as legal, aerospace, pharma, transportation, etc.)

Facebook (continued)



Get Ready

Facebook costs anywhere from 15¢ to \$1.00 or more per click, so figure out how many clicks you want to drive to your landing page and adjust your budget based on your projected cost per click.

Get Set

Ideally, you should test the results of two ads against each other, so plan on running more than one ad so that you can test your way to success. You can also test placement, running one ad in the (less expensive) right rail and one in the News Feed. Make sure your Facebook ads are highly visual with images and/or video.

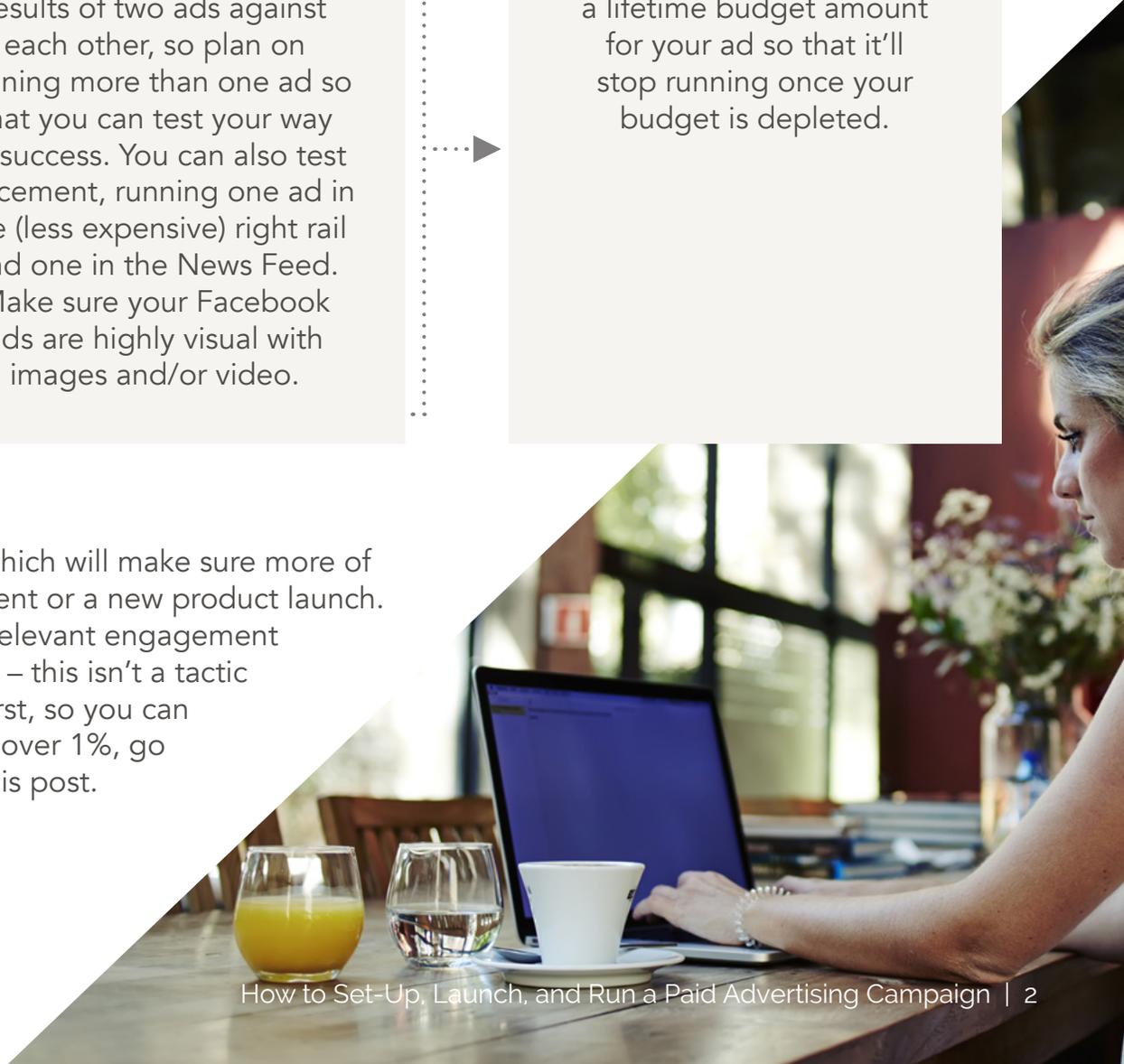
Go

Facebook allows you to set a lifetime budget amount for your ad so that it'll stop running once your budget is depleted.

Promoted posts:

You can also pay to promote your organic posts, which will make sure more of your followers see them. Try this for a company event or a new product launch. Include a call to action; you want to pay for more relevant engagement than a Like. Make sure that the post has a shelf life – this isn't a tactic for a flash sale – and let it run as an organic post first, so you can see what its natural engagement rate will be. If it's over 1%, go ahead and make a good thing better– promote this post.

Want a deeper dive into advertising with Facebook? [Click here.](#)



LinkedIn



A Perfect Fit for Reaching B2B Prospects

What's not to like about advertising on LinkedIn? Ninety-three percent of B2B marketers say social media is their number one tactic for content creation and distribution. And 79 percent of B2B marketers view LinkedIn as an effective source for generating B2B leads.

There are two ways to advertise on LinkedIn: Self-Service Ads and Managed Campaigns.

Self-Service Ads allow you to set your budget, choose the number of clicks or impressions served, and stop your ads at any time using LinkedIn's Campaign Manager.

Ad formats that you can use for Self-Service Ads include Sponsored Content Ads and Text Ads.

Sponsored Content Ads (also known as native ads) are similar to Facebook's Sponsored or Suggested posts. Sponsored Content Ads are embedded into LinkedIn Updates. In other words, they're dropped right into the LinkedIn Update stream and look just like a regular Update (other than the fact that you're identified as a sponsor). Sponsored Content Ads are a rock-solid option if you're interested in driving clicks to your website.

Text Ads are the smaller ads off to the right of LinkedIn's Updates. They're a little less intrusive which doesn't mean they aren't effective, it just means they're smaller and less noticeable.

LinkedIn at a Glance

Total Monthly Active Users:
100 million

Targeting Capabilities:
Good to excellent

Perfect for:
Business-to-business marketers

Strengths:

LinkedIn visitors are in a business mindset when they use the platform

Weaknesses:

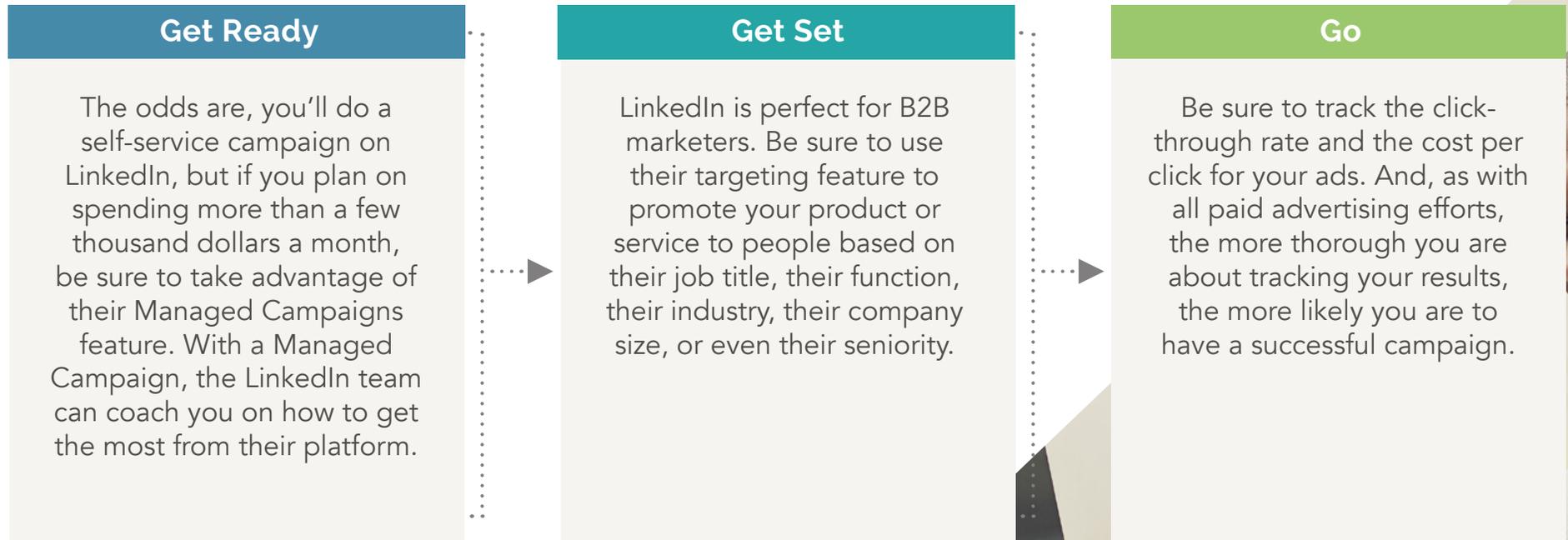
Not as broad a reach as Facebook, but still ... 100 million people is nothing to sneeze at

LinkedIn (continued)



When you're ready to step up to the next level on LinkedIn advertising, you'll want to visit their **Managed Campaigns** area. Managed Campaigns are more expensive, but you'll have a dedicated LinkedIn team to help you create exclusively placed, highly visible ads for premium audiences. Account-managed ad formats include Sponsored Content, Sponsored InMail, Dynamic Ads, Display Ads, and Account-Based Marketing.

The bottom line – if you're a small business on a limited budget (say \$5,000 or less per quarter), you'll want to stick with Self-Service Ads, but if you're a larger company with a more substantial budget, you might want to explore using LinkedIn's Managed Campaigns offering.



Want a deeper dive into advertising with LinkedIn? [Click here.](#)

Twitter



Letting People Know About Your Business in 140 Characters or Less

The great thing (and the not-so-great thing) about Twitter is the 140-ish character limit. (We say “140-ish” because Twitter is making some changes to how they count characters that will allow you to squeeze more than 140 characters into a Tweet.)

The quickest and easiest way to get into Twitter ads is to use the Quick Promote feature that’s on your Tweet or Dashboard. Just click the “View Tweet Activity” link and you’ll be taken to a dashboard that will help you promote that Tweet.

Twitter charges advertisers based on a CPC formula. You’ll be charged only when someone clicks through and ends up on your website or landing page.

Tips: *Tweets under 100 characters get an 18% higher click-through rate, so keep your promoted Tweets short and sweet. Also, using a graphic in your Tweet (a Twitter Card or a Website Card) has been shown to increase the CTR by 43%.*

Twitter at a Glance

Total Monthly Active Users:
320 million

Targeting Capabilities:
Good but not great

Perfect for:
Businesses that want to extend their paid social media beyond Facebook and LinkedIn

Strengths:

It’s an easy-to-use platform

Weaknesses:

The character limit can sometimes be a challenge for marketers

Twitter (continued)



Get Ready

Twitter users tend to be slightly better educated and have higher household incomes than the typical social media user, so it's a perfect fit if your product or service is appealing to those demographic groups.

Get Set

Be sure to take advantage of Twitter's targeting features which allow you to target based on keyword, kinds of followers, email lists, TV shows watched, and remarketing (targeting people who have been to your website in the past).

Go

Don't forget to track which kinds of campaigns generate the best results – discounts, free giveaways, access to gated content, etc. Running tests is the best way to ensure you generate a positive ROI.

Want a deeper dive into advertising with Twitter? [Click here.](#)



Instagram



Drive awareness, increase web sales, or encourage mobile app downloads

Instagram has a variety of ad formats that are ideally (but not exclusively) suited for businesses whose ads are typically visual in nature. (If you're an accountant, uploading a graphic of a spreadsheet is, shall we say, ill-advised. Instead, use your creativity to show people that accountants are as fun-loving and likeable as the rest of us.)

There are three primary formats for Instagram ads:

- 1. Photo ads.** Tell your story through inspiring imagery
- 2. Video ads.** Photo ads with sound and motion added to the mix
- 3. Carousel ads** add another layer of depth by allowing people to swipe to see additional images and call-to-action buttons that will take them to your website



Instagram at a Glance

Total Monthly Active Users:

400 million

Targeting Capabilities:

Good to excellent

Perfect for:

Businesses that want to extend their paid social media beyond Facebook and LinkedIn

Strengths:

It's fast-growing platform that appeals to a younger crowd

Weaknesses:

Instagram has a very casual feel to it, which means it may not be a perfect platform for more conservative businesses

Instagram (continued)



Get Ready

Start by defining your objectives, which could include clicks to a landing page, website conversions, mobile app installs, mobile app engagement, video views, reach and frequency, page post engagement, and mass awareness.

Get Set

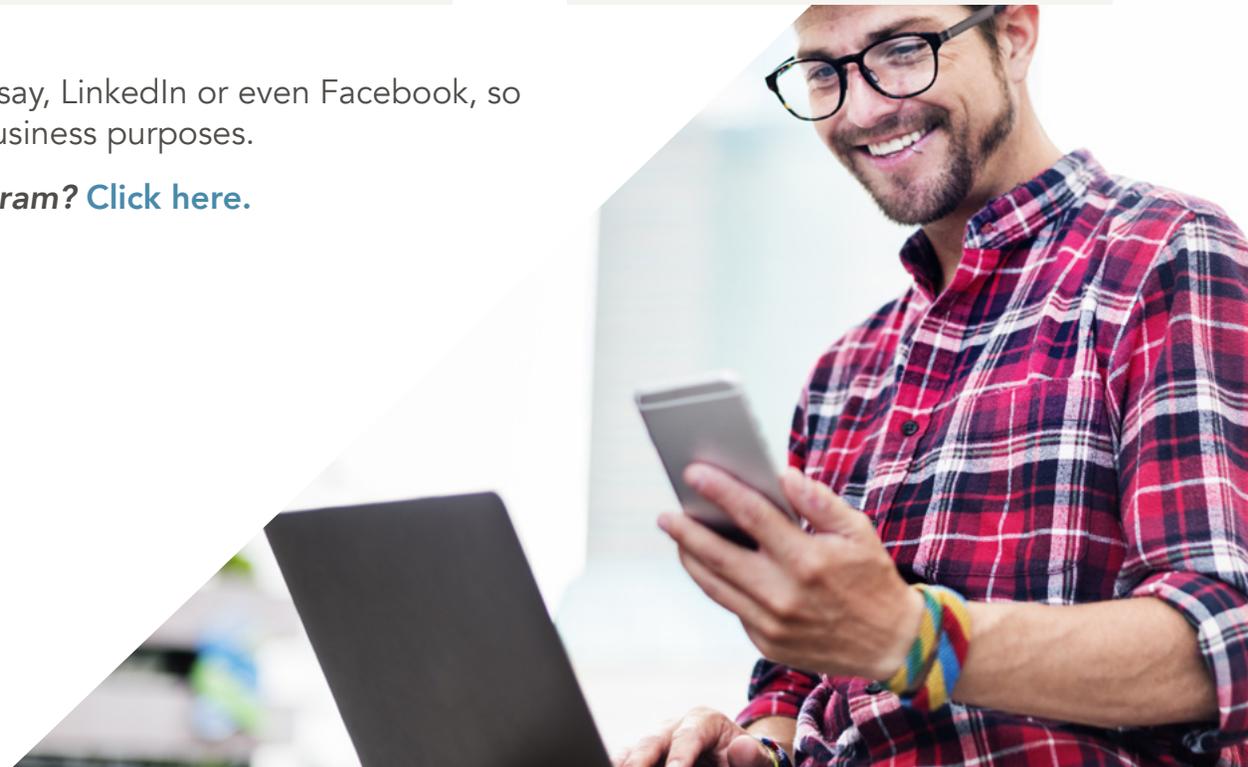
Create a landing page dedicated to your Instagram visitors. Studies show the better your landing page matches the content of the ad, the better your conversion rate.

Go

Link your Instagram account to Twitter and Facebook for even more consistency across platforms, and to scale your content development costs.

Instagram is a more casual and fun platform than, say, LinkedIn or even Facebook, so keep that in mind when using Instagram ads for business purposes.

Want a deeper dive into advertising with Instagram? [Click here.](#)



Snapchat



The new kid on the block that everybody's talking about

Yes, Snapchat is the hot new platform – their growth curve has been astronomical lately. And although it's currently got the most traction for B2C, it's gaining momentum for B2B players as well. It's got a superlative ability to tell stories quickly to engaged audiences, so Snapchat does warrant the buzz.

What's their engagement like? On average, Snapchatters spend 25 to 30 minutes every single day using the platform. And more people watched the MTV Video Music Awards via Snapchat than watched the event on TV. To top things off, on any given day, 41% of US-based 18- to 34-year-olds are reached via Snapchat – by comparison, the average individual US TV network only reaches 6% of the same demographic.

Snap Ads begin with a short vertical, full screen video ad that appears in the context of other Snaps. You can also give Snapchatters the choice to swipe up and see more. Swiping up reveals extended content like long form video, an article, app install ads, or mobile websites.

Sponsored geofilters are another great way to engage Snapchatters with your brand. When Snapchatters in the location of your choice take a Snap, they can see your geofilter and can use it to explain where, when, and why they took the Snap.

Sponsored Lenses encourage people to “play” with your brand. Taco Bell launched a Sponsored Lens campaign that generated surprisingly good results. Best of all, Snapchatters play with a Sponsored Lens for 20 seconds on average.

Snapchat at a Glance

Total Monthly Active Users:

300+ million

Targeting Capabilities:

Good to excellent

Perfect for:

Businesses that want to target young prospects and customers

Strengths:

It's one of the hottest social media platforms on the planet

Weaknesses:

57% of Snapchatters use it daily, but usage averages only 10 minutes a day

Snapchat (continued)



Get Ready

The demographics for Snapchat skew much younger than the demographics for LinkedIn, Twitter, or other platforms. With that in mind, be sure your product or service is a good fit for the typical Snapchat user.

Get Set

Snapchat is famously expensive, but the app claims that the swipe-up rate for Snap Ads is 5 times higher than the average click-through rate on comparable platforms. If you get those results, Snapchat may be worth the money – but you won't know until you compare your results on Snapchat with your results on other channels.

Go

There are a number of things you can test when you run ads on Snapchat – your targeting, your creative, your call to action and even your offer. Be sure to measure everything you can so that you can optimize your campaign as you move forward.

Want a deeper dive into advertising with Snapchat? [Click here.](#)



How to Calculate the ROI of a Paid Social Media Campaign

Vanity metrics are nice, but at some point your boss is going to want to know if the paid campaign you ran covered its own costs (and then some).

In an ideal case, if you spend \$1 on paid social media, then you should generate \$3 or more in return. If you're jump-starting an unknown business your costs may be higher, but you might be buying brand recognition along with conversions. For most of us that 3:1 ratio is a good benchmark.

To take ROI a step further, you need to think about customer lifetime value (CLV). In its simplest form, CLV is the average amount of revenue you'll generate from a typical customer over the lifetime of that customer's engagement with your company. (There are many much more sophisticated calculations for CLV, but for our purposes, let's stick with this version. It's simple and workable.)

Let's say you're a B2B company that sells monthly subscriptions to people who want video training to improve their business skills. Your website has, say, 500 different videos that train people to master Excel, use advanced Photoshop features, learn WordPress, and a whole slew of other skills.

If it costs \$30 per month to use your service, and the average person keeps the service for 10 months before they leave, then what is the CLV?

Yup, you got it. The CLV would be \$300.

In other words, every time you acquire a new customer, you stand to generate (on average) \$300 in revenue.

Now, that might seem like a pretty simple thing to do – spend \$30 in paid social media advertising to acquire a customer who will generate \$300 in revenue for your company.

The problem is that your conversion rate – the number of people who visit your landing page and then actually buy your product – will probably be below 1%. In other words, if you drive 100 people to your landing page, you might get one person to buy your product. That's a pretty average number.

Let's say you spend \$1 for every click you drive to the landing page on your website. If you have a 1% conversion rate, then it'll cost you \$100 to make a sale that would, in turn, generate \$300 in revenue for your company.

Want to drill down into the metrics that help you understand customer lifetime value?

Get your free copy of [Finding "True North" on Your Marketing Compass: A Practical Guide to Using Customer Cost and Lifetime Value Metrics](#)

How to calculate the ROI of a paid social media campaign (continued)

For most companies, spending \$100 to generate \$300 in revenue won't work. That top-line revenue of \$300 has to pay salaries, overhead, materials, taxes, and other items, and your bottom-line net profit might be \$50. For most of us, spending 33% of your gross revenue on an ad campaign is out of the question. (That said, there are some companies – typically software-as-a-service companies – that will spend upwards of 60% of their revenues on advertising because there are no extra costs when they sell another software license. And very early-stage, emerging companies typically spend more, as they have no brand recognition or referral business yet.)

In the end, your goal could feasibly be to spend about 10% of your revenues on advertising. In the example outlined above, that would mean you could spend about \$30 to acquire a new customer. Said another way, your paid social media campaign would have to drive perhaps 100 people to your landing page for \$30 or less.



Is paid social media advertising right for you?

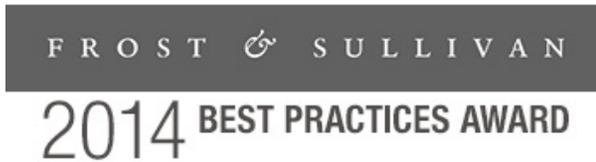
The short answer is – probably. It's not for everybody, and it's not a silver bullet for any business, but as organic reach continues to erode, it is where things are headed.

So if you're ready to go to the next level, then dive into the world of paid social media advertising – it's fun, engaging, and a great way to promote your business.



About the Author: Jamie Turner is the founder of [SIXTY](#), a marketing optimization firm that helps clients save money and make more money from their marketing campaigns. He is an internationally recognized author, speaker and business thought leader. You'll find him on the [60 Second Marketer](#) and as an expert commentator on CNN and HLN.

Acclaim for Act-On



About Act-On Software

Act-On Software is a marketing automation company delivering innovation that empowers marketers to do the best work of their careers. Act-On is the only integrated workspace to address the needs of the customer experience, from brand awareness and demand generation, to retention and loyalty. With Act-On, marketers can drive better business outcomes and see higher customer lifetime value. The Act-On platform provides marketers with power they can actually use, without the need for a dedicated IT resource.

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